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1 for this witness?

2 MR. McDONALD: I do.

3 Q. What criteria were used to determine that a
4 rating of satisfied could be used on issues that
5 were still being tested, retested, or which remained
6 unresolved?

7 A. [SEARS] The only situation where I can
8 think where you would have encountered that in the
9 report is a situation where there were multiple
10 evaluations going on under one criteria -- for
11 example, we're testing 16 transactions and the
12 criteria is do the transactions work? It's possible
13 that if 15 of the 16 transactions worked and one of
14 those transactions was not critical to CLECs'
15 success, that we could have had an evaluation of
16 satisfied. So it fundamentally happens when you
17 have a heterogeneous evaluation criteria.

18 Q. And critical to CLECs' success is something
19 that was determined by KPMG's judgment?

20 A. [SEARS] Let me see if I can perhaps answer
21 through example. I believe at one point we had a
22 situation in preorder where all the preorder queries
23 worked except for conversational TN.

24 CHAIRMAN CONNELLY: Mr. Sears, you're

1 particular issue would or would not have a business
2 impact to CLECs?

3 A. [SEARS] Most of our orders -- most of our
4 scenarios were designed to emulate experience that a
5 CLEC has. You do a preorder transaction. You place
6 an order. You get a series of confirmations. You
7 actually get a circuit provisioned. You generate
8 usage on that circuit. You receive a bill for usage
9 on that circuit. So clearly the most prevalent way
10 we assess that impact is could we actually get
11 through the cycle from preordering to receiving a
12 bill and having a circuit provisioned without that
13 functionality existing.

14 Q. Under what conditions did KPMG mark a test
15 area satisfied based on a Verizon promise that the
16 documentation procedures, et cetera, would be
17 developed and implemented?

18 A. [SEARS] None.

19 MS. CARPINO: Mr. McDonald, are you
20 going to go to your M&R questions?

21 MR. McDONALD: I was just going to say
22 that I could go to the M&R.

23 MS. CARPINO: Before you do, are there
24 any general questions participants would like to ask

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1 really becoming inaudible.

2 A. [SEARS] We had a series of preorder
3 queries, all of which worked, except for
4 conversational TN reservation. It's possible -- and
5 most CLECs, if not all CLECs, use a different method
6 to get TN reservation accomplished anyway. So
7 that's a situation where it would have been very
8 possible to satisfy the criteria on usability of
9 preorder and still have a transaction that did not
10 work from a CLEC perspective.

11 Q. I think in the answer you just gave you may
12 have at least partially answered the next question.
13 Does a satisfied result mean that no further
14 deficiencies remain in the process or that remaining
15 deficiencies will not have a business impact to
16 CLECs?

17 A. [DELLATORRE] The answer would be no, that
18 further deficiencies may exist.

19 Q. But that those deficiencies wouldn't have a
20 business impact to CLECs?

21 A. [DELLATORRE] Correct.

22 Q. With respect to whether or not an issue
23 would have a business impact to CLECs: How exactly
24 did KPMG go about determining whether or not a

1 of the panel before we go to domain-specific?

2 MS. REED: Ms. Reed?

3 MS. REED: For the Attorney General's
4 office.

5 CROSS-EXAMINATION

6 BY MS. REED:

7 Q. A couple of general questions. Am I correct
8 in understanding that all 118 categories of
9 observations have been closed?

10 A. [DELLATORRE] Yes.

11 Q. Am I correct about the number, 118?

12 A. [DELLATORRE] Yes.

13 Q. I've been trying to get a handle on phrases
14 that Mr. Sears and Mr. DellaTorre have been using,
15 phrases like "relevant to Bell Atlantic's
16 performance," "critical to CLEC success," and
17 "business impacts to CLECs." Are these all part of
18 the concept of a market-affecting exception? How
19 does the phrase "market-affecting" interrelate with
20 the difference between an observation and an
21 exception?

22 CHAIRMAN CONNELLY: So you have two
23 questions before them. Why don't you answer the
24 first one first.

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1 A. [SEARS] I would say that those phrases are
2 related to market-affecting or market-impacting.
3 When we talk about CLEC-impacting, we're
4 simultaneously talking about market-impacting.
5 What was the second part of the
6 question?
7 CHAIRMAN CONNELLY: Why don't you read
8 it back.
9 (Question read as follows: "How does
10 the phrase 'market-affecting' interrelate with the
11 difference between an observation and an
12 exception?")
13 A. [SEARS] I think it would be much easier to
14 equate a market-affecting with an exception than
15 with an observation. We had 118 observations and 16
16 exceptions. So it was clear in 16 cases that we
17 felt that the findings from an observation would
18 have impeded us as a CLEC from doing -- or
19 potentially impeded us as a CLEC from doing
20 business.
21 Q. My last question is: How would you
22 characterize the amount of cooperation you have
23 received from the CLECs in this test? And by "this
24 test" I'm not referring just to the M&R test domain,

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1 I'm referring to the entire KPMG test.
2 A. [SEARS] We have had very good cooperation
3 from a number of CLECs. In fact, there are
4 substantial instances in our report where 100
5 percent of our results come from live CLEC data that
6 was provided by Covad or AT&T. So there were tests
7 where it would have been impossible to accomplish a
8 test without significant CLEC cooperation, and we
9 received that cooperation to execute those tests.
10 MS. REED: Thank you, Madam Hearing
11 Officer, Mr. Chairman. I have no further questions.
12 MS. CARPINO: Are there other general
13 questions?
14 Mr. McDonald?
15 CROSS-EXAMINATION
16 BY MR. McDONALD:
17 Q. On maintenance and repair: Please explain
18 why KPMG chose not to test MLT for UNE-P in
19 Massachusetts.
20 A. [MERRITT] KPMG did test MLT for UNE
21 platform services during the functionality test,
22 which is M&R 1.
23 Q. Could you tell me where in the report that
24 is?

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1 A. [MERRITT] If you want to give me a few
2 minutes.
3 Q. Okay.
4 CHAIRMAN CONNELLY: Why don't you go on
5 with the rest of your questions while he finds that.
6 Someone find it for him, so we don't have a Quaker
7 meeting here.
8 A. The test cross-reference on Page 245 of the
9 report is MR-1-2-1. And additionally, on Page 244
10 the test cross-references MR-1-1-1.
11 MR. SALINGER: My page references don't
12 seem to be matching yours.
13 WITNESS MERRITT: The test cross-
14 reference will not change regardless of page number.
15 A. [DELLATORRE] It's the very beginning of the
16 results and analysis section of M&R 1.
17 MR. SALINGER: Table 1-4?
18 WITNESS DELLATORRE: That's correct.
19 WITNESS MERRITT: MR-1-1-1.
20 MR. SALINGER: And the test cross-
21 reference again? I'm sorry. Do you need the second
22 test cross-reference again?
23 WITNESS MERRITT: MR-1-2-1.
24 And there's a third test cross-

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1 reference.
2 MR. SALINGER: And that second cross-
3 reference is the table entry --
4 CHAIRMAN CONNELLY: We have a very good
5 court reporter, but he can't take down fugues, so
6 one at a time.
7 MR. SALINGER: The test cross-reference
8 MR-1-2-1, is that the first entry from Table 1-5 in
9 the M&R section?
10 WITNESS MERRITT: That's correct.
11 MR. SALINGER: And you had one more
12 cross-reference that we're trying to find.
13 WITNESS MERRITT: Yes, sir. That is in
14 the following table: Table 1-6, test cross-
15 reference MR-1-3-1.
16 Shall I continue with the next test
17 cross-reference?
18 CHAIRMAN CONNELLY: If you're ready, why
19 don't you do so.
20 WITNESS MERRITT: It's Table 1-7, test
21 cross-reference MR-1-4-1.
22 There's one more. Strike that last
23 statement. There's not one more.
24 CHAIRMAN CONNELLY: Does that complete

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1 your answer?
2 WITNESS MERRITT: Yes, sir.
3 CHAIRMAN CONNELLY: Next question. if
4 you have a next question.
5 Q. Did KPMG report their problems with accuracy
6 with respect to MLT testing for UNE-P?
7 A. [MERRITT] No, we did not.
8 Q. Were override handling codes tested with
9 UNE-P?
10 A. [MERRITT] Yes.
11 Q. Could you identify where in the test it
12 refers to that?
13 A. [MERRITT] I need just one moment, please.
14 (Pause.)
15 A. [SEARS] The answer is that it's not
16 referenced in the report.
17 Q. Why is that?
18 A. [SEARS] It's in the detailed workpapers
19 underlying the report.
20 Q. Are you familiar with what's commonly
21 referred to as Verizon's RETAS handbook?
22 A. [MERRITT] Yes.
23 Q. As part of KPMG's testing, did it document
24 whether or not the handbook had been sent to CLECs?

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1 A. [MERRITT] KPMG did not verify whether other
2 companies requested additional updated copies of the
3 RETAS handbook through their account manager. Our
4 understanding of the process for requesting an
5 updated RETAS student user guide is that the company
6 will request an additional updated copy through
7 their account manager.
8 A. [SEARS] In other words, we did not receive
9 copies of the RETAS handbook; we requested them and
10 were provided with updated copies.
11 Q. Does Verizon notify CLECs of when a new
12 RETAS guide is available or when there are updates?
13 A. [MERRITT] Changes to the RETAS student user
14 guide are given through change control.
15 Q. Did KPMG do RETAS testing with secure IDs?
16 A. [MERRITT] For the -- for M&R testing the
17 RETAS performance test, KPMG utilized a secure ID in
18 order to establish a connection with the RETAS GUI.
19 Q. Is there another way to secure a connection?
20 A. [MERRITT] Sure. You can use your user ID
21 and password through a specific URL given to you by
22 Bell Atlantic.
23 Q. Did KPMG test that?
24 A. [MERRITT] KPMG garnered -- KPMG established

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1 connection through that method, yes, sir.
2 Q. Both methods?
3 A. [MERRITT] Yes, sir.
4 Q. Are there any other methods?
5 A. [MERRITT] Not that I'm aware of.
6 Q. With respect to both methods, was one used
7 more often than the other?
8 A. [MERRITT] From a sheer transactional
9 numbers standpoint, there were a large number of
10 transactions executed through the secure ID, the
11 connection that was established using a secure ID
12 for security authentication because it was the RETAS
13 performance test, which is a volume test.
14 Q. So, then, the volume test was done solely
15 through secure IDs?
16 A. [MERRITT] Through secure IDs? I'm not sure
17 I understand what you mean.
18 CHAIRMAN CONNELLY: Can you rephrase the
19 question, then, please?
20 MR. McDONALD: Yes.
21 Q. As I understand it, there are two different
22 methods, or you described that KPMG performed RETAS
23 testing with two different methods, one of them
24 being secure ID. Is that right?

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1 A. [MERRITT] Secure ID was one method of
2 establishing security authentication to the RETAS
3 GUI.
4 A. [SEARS] I think the short answer is, the
5 majority of our transactions in quantity were
6 executed over a connection where we used a secure ID
7 to help set up the connection.
8 A. [MERRITT] To establish secure
9 authentication.
10 Q. And the volume testing that was done, was
11 that done solely through that method of connection?
12 A. [MERRITT] That's correct.
13 Q. Do you know how many CLECs use the secure-ID
14 method to connect to Verizon?
15 A. [MERRITT] I'm sorry, I don't.
16 Q. Did KPMG inquire of CLECs or of Verizon to
17 see whether or not any CLECs use the secure-ID
18 method?
19 A. [MERRITT] No, we did not.
20 MR. McDONALD: Those are the maintenance
21 and repair questions that I have.
22 MS. CARPINO: Thank you. Mr. Salinger,
23 do you have any maintenance and repair questions?
24 MR. SALINGER: Yes, just in one area, so

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1 we can be mercifully brief on this domain.
2 CROSS-EXAMINATION
3 BY MR. SALINGER:
4 Q. I should know this by now: But is it Mr.
5 Merritt with a T?
6 A. [MERRITT] It's M-e-r-r-i-t-t.
7 Q. Good morning, Mr. Merritt. Ken Salinger for
8 AT&T.
9 I just want to make sure we understand
10 what you folks did and did not test with respect to
11 metallic loop testing, or MLT. You gave us the
12 various references about test results concerned with
13 functionality testing involving MLT; correct?
14 A. [MERRITT] Correct.
15 Q. Is it true that when KPMG performed its
16 volume testing of RETAS that it did not include MLT
17 transactions involving UNE-P?
18 A. [MERRITT] That's correct.
19 Q. And when I look at --
20 A. [MERRITT] UNE-P, meaning UNE platform.
21 Q. Yes, correct.
22 When I look at the report -- and I'll
23 just do this once, so the record is clear.
24 Consistent with the ground rules, when I say "the

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1 report." I mean Draft Version 1.3, as of August 9th,
2 2000. I won't give page numbers, because our
3 pagination differs from yours.
4 But in the M&R section of the report,
5 Tables 2-7 and 2-12 -- if you could just have those
6 available.
7 A. [DELLATORRE] Excuse me; could you cite the
8 M&R test?
9 Q. The tables themselves don't refer to a
10 particular test. It's Section 2.4.1.1, and then
11 2.4.1.4, having to do with the volume testing, first
12 for September-of-2000 loads and then for December,
13 2000 projected loads. Maybe Mr. Merritt can give a
14 better test reference than I just did.
15 A. [MERRITT] Tables 2-7 and 2-12 is good.
16 Q. Footnotes associated with those tables
17 indicate that, according to the CLEC handbook, MLT
18 tests are not applicable for UNE accounts. Do I
19 understand that correctly?
20 A. [SEARS] This is a mistake in our draft
21 report.
22 Q. Please explain.
23 A. [MERRITT] Clarifying language will be
24 placed in the final draft of the report. The

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1 footnote states, "MLT tests are not applicable for
2 UNE accounts." It should read "UNE-L," for UNE
3 loop.
4 Q. When the KPMG team was doing its RETAS
5 volume testing, did it include MLT transactions for
6 UNE-P?
7 A. [MERRITT] It did not.
8 Q. We can see that in the substance of Tables
9 2-7 and 2-12; is that correct?
10 A. [MERRITT] That's correct.
11 Q. The current explanation of why not is
12 because MLT is not available for UNE accounts. With
13 the clarification that it's not available for UNE-L
14 accounts, is there a clarified explanation of why
15 MLT transactions for UNE-P were not included in the
16 mix for volume testing of RETAS?
17 A. [MERRITT] One moment, please. (Pause.)
18 A. [SEARS] The answer is it was not in our
19 test scope and it was not part of the test.
20 Q. Is the reason why it was not part of the
21 test is because at the time of the test KPMG had
22 been led to believe that MLT was not available for
23 UNE-P?
24 A. [SEARS] No.

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1 A. [MERRITT] No.
2 Q. What was the reason?
3 A. [SEARS] It was just excluded from the test
4 scope.
5 Q. Could you explain why?
6 A. [SEARS] I don't recall the rationale for
7 excluding it from the test scope.
8 A. [DELLATORRE] Not to be more evasive, but --
9 A. [SEARS] Whoa, Joe.
10 (Pause.)
11 A. [SEARS] I don't know that there is a more
12 definitive explanation, other than UNE-P MLT testing
13 was excluded in the New York test, it was excluded
14 in this test. I don't know that there's a great
15 deal more logic underlying that exclusion.
16 A. [MERRITT] MLT testing of UNE-P during the
17 volume test.
18 A. [SEARS] Right.
19 Q. During technical sessions several weeks ago,
20 Mr. Thomas McGuire, Verizon's vice-president for
21 CLEC operations, testified affirmatively that MLT is
22 available from Verizon for UNE-P orders, and the
23 record citation is the August 17th transcript at
24 Pages 2489 and 2493. Given that, at least in

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1 hindsight, would it have been better in performing
2 this volume testing of RETAS to have taken into
3 account MLT transactions for UNE-P in the M&R
4 transaction mix?
5 A. [MERRITT] In the volume test, as identified
6 in the report, mechanized loop testing of resold
7 circuits was accomplished during the volume test.
8 The Delphi system, or a test-box system used by
9 Verizon to accomplish an MLT on a particular
10 circuit, does not see the UNE platform circuit or
11 the resold circuit as any different. The same
12 transactions are required of the system to perform
13 an MLT on a resold circuit or a circuit provisioned
14 as UNE platform.
15 Q. If this volume test had been conducted and
16 included MLT transactions for UNE-P in the mix, can
17 you give us a sense of what effect that would have
18 had on the transaction mix that KPMG ran in this
19 RETAS volume test?
20 A. [SEARS] I have no idea.
21 Q. Fair enough.
22 MR. SALINGER: We have no further
23 questions in the maintenance-and-repair domain.
24 Thank you.

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1 MS. CARPINO: Thank you. Are there any
2 other questions for the participants on M&R?
3 According to our schedule, we're going
4 to move now to billing, if I'm not mistaken.
5 Mr. McDonald?
6 CHAIRMAN CONNELLY: Mr. Sears, is the
7 necessary crew on board here?
8 WITNESS SEARS: We have the billing team
9 here, yes.
10 RAYMOND W. SEARS, III, JOSEPH
11 DELLATORRE, STEPHEN SESKO, and
12 JAMES BOWERS. Witnesses
13 MR. McDONALD: WorldCom has no questions
14 on the billing.
15 MS. CARPINO: Mr. Salinger, do you have
16 any billing questions?
17 MR. SALINGER: Yes. Thank you.
18 CROSS-EXAMINATION
19 BY MR. SALINGER:
20 Q. The first area I'm going to ask about has to
21 do with test cross-reference BLG-4-1-14, which is
22 found in Table 4-3 of the billing section of this
23 version of the report.
24 MS. CARPINO: Mr. Salinger, what page do

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1 you have? Since the Department has the same
2 pagination.
3 MR. SALINGER: Page 431.
4 MS. CARPINO: Thank you.
5 A. [DELLATORRE] Could you repeat that cross-
6 reference?
7 CHAIRMAN CONNELLY: Mr. Sears, let me
8 interject here. You're going to be here a couple of
9 days?
10 WITNESS SEARS: That's the plan.
11 CHAIRMAN CONNELLY: Can you attempt
12 during the break to get the same copy for your
13 witnesses as the CLECs have, so that we don't have
14 to go through this drill every time someone makes a
15 reference?
16 WITNESS SEARS: Sure.
17 CHAIRMAN CONNELLY: And can you do that
18 for this afternoon's session?
19 WITNESS SEARS: Absolutely.
20 CHAIRMAN CONNELLY: Thank you.
21 Q. I understand that it was KPMG's experience
22 that when it raised a billing issue with Verizon and
23 Verizon found that there was an error that needed to
24 be corrected Verizon would then take the initiative

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1 to make sure that the correction happened without
2 KPMG being required to open an additional trouble
3 ticket or otherwise initiate further action by
4 Verizon. Is my understanding at all accurate?
5 A. [HOLMES] We did open trouble tickets; and
6 specifically in reference to 4-1-14, it describes
7 the process that we expected to occur when we opened
8 a trouble ticket. The actual transactional part of
9 opening the trouble ticket is described under
10 Section 4-2-3. We opened two trouble tickets in
11 connection with that transaction test and followed
12 the entire flow of the trouble ticket.
13 Q. And when you opened a billing trouble ticket
14 in instances where Verizon found that there was an
15 error that needed to be corrected, at that point in
16 the process did KPMG ever have to open a second
17 trouble ticket or otherwise take the initiative to
18 get the billing error to be fixed?
19 A. [HOLMES] No, we did not.
20 Q. Did you undertake any investigation to
21 determine whether CLEC billing adjustments are
22 consistently resolved in this same manner, without
23 the need for the CLEC to issue an additional trouble
24 ticket or take other action to initiate a

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1 correction?
2 A. [HOLMES] I would say the closest -- or the
3 best opportunity would have been during our CLEC
4 forum, where CLECs were invited to discuss their
5 particular concerns and for us to gather information
6 specifically for our processes, or the processes --
7 for billing only, for billing only. At that time
8 that specific problem was not identified in the
9 forum. So the answer to your question is that we
10 did not pursue that.
11 Q. As part of your analysis, did you review
12 billing-related trouble tickets that CLECs had
13 opened with then-Bell Atlantic?
14 A. [HOLMES] No, we did not.
15 Q. The other topic that I'd like to explore is
16 the issue of inaccurate daily usage fee, or DUF,
17 files. Let's start with the cross-reference in the
18 report, I guess. In my or our copy it's on Page
19 447. The test cross-reference is BLG-5-4-1, within
20 Table 5-6 of the billing section of the report. Do
21 you have that?
22 A. [HOLMES] Yes. I'm ready.
23 Q. KPMG found in connection with this test that
24 Verizon was not providing 100 percent accuracy on

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1 Atlantic. At such time as we got the Verizon
2 records, we did a match between our records or our
3 scripts and the Verizon records. Where we found any
4 difference, we sought to come up with a reasonable
5 explanation, by reviewing whether or not our
6 matching criteria were precise enough, whether or
7 not there was a possibility of any order activity
8 that may have affected our expectations. When we
9 could find no reasonable explanation for this, we
10 filed this observation, identifying the calls that
11 we had expected based on our scripts that should
12 have been transmitted to us and asking Verizon to
13 explain why we would not have received those calls
14 on our DUF.
15 Q. You found that approximately 5 percent of
16 the calls that should have been recorded on KPMG's
17 DUF did not appear?
18 A. [HOLMES] Yes, we did.
19 Q. Is this universe of test calls referenced
20 under this test cross-reference the same universe
21 that's referenced in Observation 109, or is it a
22 different universe of test calls?
23 A. [HOLMES] It's the same. (Pause.)
24 On Observation 109 I believe there are

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1 its DUF records; is that correct?
2 A. [HOLMES] That was our finding.
3 Q. Could you describe, so that we all
4 understand it, what the process was, in general
5 terms, that you used to place these 346 test calls
6 and then evaluate whether they were accurately
7 recorded on DUFs?
8 A. [HOLMES] Yes, I can. This was a multistep
9 process. This is the process that we used in
10 performing DUF tests with very little variation.
11 Testers from KPMG were deployed to
12 Verizon sites. Test calls were made by these
13 testers over a period of days. A description of the
14 test call as far as the date, connect time, NPA NXX
15 of the originating number, terminating number --
16 specific information which would allow
17 identification of our test call was recorded by the
18 KPMG tester. We kept this information and then
19 awaited the arrival of the DUF records that were
20 sent by Bell Atlantic in EMI format.
21 We believed, and we feel, that we kept
22 sufficient fields in our scripts to allow us to do a
23 matching of the tester script, which is the tester
24 call, with the actual EMI transmitted by Bell

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1 23 calls -- I'd have to look; I've actually got it
2 here -- that we submitted.
3 Q. Why don't you look, so we make sure we're
4 being precise and accurate.
5 A. [HOLMES] I have it here. There are 23
6 calls in Observation 109. We felt that, of the
7 23 --
8 The explanation is: There are five
9 additional calls, over and above the 11, that are a
10 part of Observation 109 that make up the 16. Those
11 five are credit records that we did not receive.
12 Q. You expected when you conducted this test
13 that if Verizon was recording call usage accurately,
14 then 100 percent of the test calls would have
15 appeared on the DUF?
16 A. [HOLMES] Yes, we did.
17 Q. Given that approximately 5 percent did not
18 appear, why is it that KPMG concluded that this test
19 criterion is satisfied?
20 A. [HOLMES] Because through explanations we
21 found that of the five records that are not on here,
22 they were on the error hold file, the Bell Atlantic
23 error hold file; and of the 11, we felt that this
24 was a reasonable amount to feel that, given the

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1 amount of records we reviewed.
2 CHAIRMAN CONNELLY: So you're saying
3 your standard wasn't perfection?
4 A. [SEARS] The answer is not that we expected
5 to receive 100 percent of our records. We have
6 never received 100 percent of our records in the
7 billing environment. Our industry experience does
8 not lead us to believe that we actually would have
9 received 100 percent of our records of usage in the
10 DUF file.
11 Q. Did KPMG undertake any analysis to determine
12 what percentage of calls made by Verizon customers
13 Verizon manages to record for itself?
14 A. [SEARS] No, we did not.
15 A. [HOLMES] No.
16 Q. According to the observation log published
17 by KPMG as of August 18th, Verizon's explanation for
18 the missing 11 call records is just that they were
19 missing, that, quote, "they could not be found,"
20 close quote. Has KPMG ever received any additional
21 explanation from Verizon, other than Verizon's
22 acknowledgement that it could find no record of
23 those calls?
24 A. [HOLMES] No, we have not.

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1 MR. SALINGER: Thank you. No further
2 questions on the billing segment.
3 MS. CARPINO: Are there any other
4 billing questions?
5 Let's go off the record.
6 (Recess taken.)
7 MS. CARPINO: Let's go back on the
8 record. We are beginning our discussion of the POP
9 domain. We have a few new witnesses. Mr. Sears,
10 would you like to introduce your colleagues?
11 WITNESS SESKO: This is Steve Sesko.
12 WITNESS BOWERS: And James Bowers.
13 RAYMOND W. SEARS, III, JOSEPH
14 DELLATORRE, JAMES BOWERS, and
15 STEPHEN SESKO, Witnesses
16 MS. CARPINO: Ms. Johnson?
17 CROSS-EXAMINATION
18 BY MS. JOHNSON:
19 Q. Good morning. My name is Cynthia Carney
20 Johnson, from WorldCom.
21 Could you please discuss KPMG's findings
22 with respect to POP-1-4-7 -- in our version of the
23 report it's at Page 50 -- in which no result is
24 indicated.

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1 A. [DELLATORRE] That was just an error in our
2 draft. It should have been a satisfied result. We
3 omitted the word.
4 Q. Could you also explain how KPMG derived
5 expected FT or NFT indicators to determine
6 timeliness in the absence of information from
7 Verizon on the actual FT or NFT status for LSRs?
8 A. [DELLATORRE] We determined expected
9 flow-through and non-flow-through condition based on
10 publicly available documentation on the Bell
11 Atlantic Web site.
12 Q. Can you explain what criteria was used to
13 determine that a rating of satisfied could be
14 determined from the result on POP-1-2-3 when KPMG
15 found in its comments that of the order transaction
16 types evaluated during the course of this test three
17 contained functionality deficiencies and that KPMG
18 Consulting has been unable to consistently execute
19 resale private-line service requests for line
20 additions or new services successfully?
21 CHAIRMAN CONNELLY: Can you read that
22 question back, please.
23 (Question read.)
24 Q. And there's more: Successfully execute

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1 caption listing orders or migration to UNE EEL with
2 an upgrade to ISDN BRI?
3 A. [BOWERS] Those scenarios were all subject
4 to retests. All those retests happened
5 successfully. Therefore, it's satisfied.
6 Q. But you issued a satisfied before you did
7 the retest?
8 A. [DELLATORRE] Actually, Footnote 17 says
9 retests have been confirmed by BA-MA and KPMG
10 Consulting is waiting the standard interval for
11 completion notices. We were actually in the middle
12 of the retest when this draft was issued, so we
13 footnoted that fact.
14 Q. But again, you issued a satisfied finding
15 before you had actually completed or gotten full
16 results; is that correct?
17 A. [SEARS] No, we actually issued a satisfied
18 finding based on receiving the LSC. We were
19 awaiting the PCNs and BCNs.
20 The other thing I'd like to provide a
21 clarification here: There are a very, very large
22 number of order types within POP-1-2-3. This is a
23 very small subset of types for which we had only
24 received the LSC at the time of making this

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1 assessment. This is not a criteria that evaluates
2 only the named order types.

3 An additional clarification: There were
4 approximately four transactions that are
5 specifically cited here, out of approximately 150
6 transactions that were executed when evaluating this
7 evaluation criteria.

8 Q. Do you know if any kind of root-cause
9 analysis was performed?

10 A. [SEARS] Again, KPMG did not perform
11 root-cause analysis as part of its test. It's
12 possible that Bell Atlantic could have performed
13 root-cause analysis as to why these transactions
14 were not successful initially.

15 Q. I have a few questions on LSOG 4 testing.
16 Was the documentation accuracy for LSOG 4.1.1 at a
17 level KPMG would expect when it was first released?

18 A. [SEARS] There's actually an exception on
19 LSOG 4.1.1. There were significant issues with that
20 release of documentation.

21 Q. So it was not at the level that KPMG --

22 A. [SEARS] We would not have issued the
23 exception if it was at the level where we believe it
24 would have resulted in a satisfied in the

1 Q. Do you have some sense of what impact these
2 types of errors would have on CLECs if they tried to
3 build an interface based on that documentation?

4 A. [SEARS] It makes it very difficult to build
5 an interface.

6 Q. Can you elaborate on "difficult"?

7 A. [SEARS] It took us several weeks to
8 actually build an interface that would allow us to
9 execute our test transactions on that version of
10 LSOG 4.

11 Q. Has Verizon corrected all of the
12 documentation problems in that LSOG version?

13 A. [DELLATORRE] Yes, they have.

14 Q. Do you know how long it took Verizon to make
15 those changes?

16 A. [DELLATORRE] Correction of documentation
17 errors, the issues are corrected at different
18 intervals. Some issues are corrected within a week,
19 and some take longer and are often put into the next
20 release of the documentation. So it's difficult to
21 provide one answer.

22 Q. Do you have an average time frame?

23 A. [DELLATORRE] I do not.

24 Q. Could you verify for us the date that LSOG

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1 appropriate evaluation criteria.

2 Q. And how did KPMG discover the documentation
3 problems in that release?

4 A. [SEARS] We attempted to execute test deck,
5 just like a CLEC would, and found numerous
6 transaction types that were not complete.

7 MR. SALINGER: Could I just interrupt to
8 ask for the number of the exception, so that we have
9 a cross-reference in the record?

10 A. [DELLATORRE] While that's being found --

11 CHAIRMAN CONNELLY: Is that going to
12 take long?

13 A. [SEARS] It's Exception 4.

14 A. [SESKO] There are three addendums to that
15 exception.

16 A. [SEARS] Mr. DellaTorre would like to
17 amplify on my answer.

18 A. [DELLATORRE] In addition to the transaction
19 testing, which identified documentation issues, we
20 also have a stand-alone documentation assessment,
21 which uncovered documentation issues.

22 Q. On LSOG 4?

23 A. [DELLATORRE] Correct.

24 A. [SEARS] LSOG 4.1.1.

1 4.1.1 was released into production by Verizon?

2 A. [BOWERS] March 1st, 2000.

3 Q. And the date on which all of those
4 documentation errors were corrected by Verizon?

5 CHAIRMAN CONNELLY: Let's go off the
6 record for a minute.

7 (Discussion off the record.)

8 CHAIRMAN CONNELLY: Let's go back on the
9 record.

10 A. [DELLATORRE] The disposition statement for
11 that exception was closed -- was issued on July
12 17th, 2000.

13 A. [SEARS] By the way, that does not mean that
14 that represents the date that all those
15 documentation issues were closed. That's simply the
16 day that we believed that those issues had been
17 fully addressed. And so there may be an interval of
18 analysis time in there. It's our belief that those
19 documentation issues were corrected in the June
20 release.

21 Q. But not after the July disposition report.

22 A. [SEARS] That's correct.

23 Q. Does this meet with KPMG's expectations for
24 how long it should take to correct these kinds of

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1 problems?
2 A. [SEARS] Again, it's unclear what the actual
3 time frame to correct the problems was. We did not
4 track individual documentation problems through the
5 cycle from February until June. I would say
6 generically that three months to correct
7 documentation problems would not meet our standards.
8 Q. In Exception 10, KPMG states that HP
9 observed inconsistencies during a review of the
10 preorder business rules versus Version 2.8.1, LSOG
11 3, and the preorder EDI-guide Version 2.8.1. Can
12 you tell me when Version 2.8.1 was issued?
13 A. [DELLATORRE] June 19th, 2000.
14 Q. And what does KPMG see as the impact of
15 these inconsistencies?
16 A. [SEARS] The impact of the inconsistencies
17 was that it took us several weeks to build our
18 interface to this set of business rules.
19 Q. And what do you see as the impact to CLECs?
20 A. [SEARS] It will take CLECs several weeks to
21 build their interface to this set of business rules.
22 Q. Several weeks longer than it would if these
23 inconsistencies were not there?
24 A. [SEARS] It will take longer for the CLECs

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1 to build to a new interface or new dot release if
2 there are inconsistencies in the documentation.
3 Q. Do you have some idea of what the average
4 time frame is for a CLEC to build to these?
5 A. [SEARS] Bell Atlantic provides for 60 days
6 between when the documentation is released and when
7 the release is available in production. So I don't
8 know -- it took us less than 60 days to build to
9 this set of documentation. I'd be speculating if I
10 were to guess what it took an average CLEC to build
11 their interface.
12 Q. So where there are inconsistencies that
13 require correcting, it could take several weeks
14 longer than those 60 days?
15 A. [SEARS] Our experience in July was that it
16 did not take longer than the 60 days.
17 Q. In KPMG's capacity test, what was the
18 capacity at which KPMG tested Verizon's systems,
19 broken down by order volume per day?
20 A. [SEARS] Can we defer that? Our volume
21 person is not here at the moment. He will be here.
22 Q. Can you refer to Section 3.1 of the report.
23 Actually, if we can go back for just a minute to
24 Page 18 in our copy.

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1 A. [SEARS] Okay. What's the table number that
2 you're referring to?
3 Q. The table number is 1-4. Footnote 5.
4 That's the subject of Observation Report 118;
5 correct? CLEC-to-CLEC migrations?
6 A. [BOWERS] Yes.
7 Q. And that observation has been closed?
8 A. [BOWERS] Yes.
9 Q. Does that mean that Bell Atlantic currently
10 has a defined process to support those types of
11 migrations?
12 A. [BOWERS] No, the closure to the observation
13 means that Bell Atlantic gave us a response.
14 Q. Can you provide that response?
15 A. [BOWERS] "BA explained that complex
16 migrations of unbundled elements and resale and
17 platform services are an industrywide set of issues
18 that still requires industry definition, consensus,
19 and validation before BA can reasonably produce all
20 the rules for all these transactions. Further, BA
21 stated that it currently provides rules for
22 transactions such as platform-to-platform
23 migrations, migrations from resale to platform, and
24 resale to loop-to-loop with LNP. BA believes

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1 industry agreements permit such transactions.
2 According to BA's response activities, such as
3 loop-to-loop migrations, contain unresolved industry
4 issues, such as a disconnect order from a new
5 service provider giving the new service provider the
6 authority to remove the loop from the old local
7 service provider's inventory without separate
8 express permission from that provider."
9 CHAIRMAN CONNELLY: What you've just
10 read there is a KPMG precis of Bell Atlantic's
11 response?
12 WITNESS BOWERS: That's actually a quote
13 that Bell Atlantic put into their own response.
14 CHAIRMAN CONNELLY: From the beginning
15 of where you started reading?
16 WITNESS BOWERS: Yes.
17 A. [DELLATORRE] This document is the
18 observation tracking document that is provided over
19 the DTE Web site.
20 A. [BOWERS] There are several more sentences.
21 "BA pointed out that these issues are being
22 discussed with the wholesale community in several
23 forms, including BA change-control-hosted workshops,
24 the current OBF working committee, and under a New

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1 York PSC proceeding. Finally, BA argued that until
2 the industry resolves and concurs on these issues.
3 BA can only handle such requests on a case-by-case
4 basis, with full cooperation of both the new and the
5 old local service provider."
6 That was Bell Atlantic's response.
7 MR. SALINGER: What number observation
8 are you reading from?
9 WITNESS BOWERS: This is 118.
10 MR. SALINGER: Thank you.
11 Q. So Bell Atlantic does not yet have a process
12 but is waiting for industry consensus? Is that
13 essentially the answer?
14 A. [SEARS] Bell Atlantic has effectively
15 stated that they will handle CLEC-to-CLEC migrations
16 on a case-by-case basis.
17 Q. And they have a process for handling it on a
18 case-by-case basis?
19 A. [SEARS] Generally a case-by-case basis
20 means that it would be a custom process.
21 Q. How did KPMG test GUI availability?
22 A. [BOWERS] KPMG relied on Bell Atlantic
23 change-control notifications.
24 Q. Completely?

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1 A. [SEARS] Yes.
2 A. [BOWERS] Yes.
3 Q. At what point in time did KPMG conduct this
4 test?
5 A. [DELLATORRE] That was throughout our
6 transaction period.
7 Q. I'm sorry?
8 A. [DELLATORRE] It was throughout our
9 transaction test, which began in late May and
10 concluded at the end of June, I believe.
11 Q. In evaluating GUI availability, did KPMG
12 access the GUI over the Internet or use secure IDs?
13 A. [BOWERS] We used secure IDs.
14 Q. Throughout the process?
15 A. [BOWERS] Yes.
16 Q. Did KPMG evaluate trouble tickets submitted
17 by CLECs regarding GUI outages?
18 A. [DELLATORRE] No.
19 Q. Can you explain why?
20 A. [SEARS] It wasn't within our test scope.
21 Q. Is KPMG aware that Verizon has now
22 acknowledged significant GUI outages prior to the
23 end of June?
24 A. [DELLATORRE] Yes.

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1 Q. And how does it affect your test results or
2 findings?
3 A. [SEARS] It doesn't.
4 Q. You're still satisfied with GUI
5 availability?
6 A. [SEARS] Based on the way we conducted the
7 test, yes.
8 Q. Do you know whether Verizon put any fixes in
9 place in May or June?
10 A. [SEARS] Is that with regard to the GUI?
11 Q. To address GUI availability. Yes; sorry.
12 A. [BOWERS] We're aware of the message they
13 indicated via change control, which within it
14 indicates some of the fixes they put in.
15 Q. Did KPMG test those fixes?
16 A. [DELLATORRE] No.
17 A. [SEARS] We don't have a test designed to
18 test those fixes.
19 Q. So you don't know whether those fixes work.
20 A. [SEARS] That's correct.
21 Q. In Exception 12 KPMG states that HP observed
22 inconsistencies during a review of the preorder and
23 order business rules, Version 4.3.1, and EDI Guide
24 Version 4.3.1. Can you verify the date on which

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1 Version 4.3.1 was released into production?
2 A. [BOWERS] It was June 19th, 2000, was the
3 June release.
4 Q. And can you describe the impact of the
5 inconsistencies that were found in Exception 12?
6 A. [SEARS] Again, it took us several weeks to
7 get the interface operating to the point where we
8 could execute our test scenarios.
9 Q. Do you know whether Verizon has resolved all
10 the documentation inconsistencies in Exception 12?
11 A. [DELLATORRE] Yes, they have.
12 A. [BOWERS] Yes.
13 A. [SEARS] All of them, yes.
14 Q. Do you know how long it took Verizon to do
15 that?
16 A. [SEARS] It was completed within the 60-day
17 window between release of the initial documentation
18 and when production commenced.
19 Q. In order to comply with change management,
20 Verizon must not only release documentation in a
21 timely fashion, that documentation must be accurate.
22 What statistics or evidence does KPMG have to offer
23 to substantiate that the software and related
24 documentation has substantially improved?

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1 A. [DELLATORRE] Do you have the question
2 number from your original document that you're
3 referring to?

4 Q. 24.

5 A. [DELLATORRE] Thank you.

6 A. [SEARS] The evidence that we have is that
7 we were able to execute our transactions in our test
8 deck. My recollection is that all the transactions
9 that we needed to have operating our test deck were
10 correctly documented and working a week before the
11 end of the 60-day period we had to work with the new
12 release, which is a different result than the result
13 that we had in February.

14 Q. Did KPMG find the change-management process
15 for new releases to be sufficient?

16 A. [SEARS] From the standpoint of the June
17 release, we found the process to be sufficient, yes.

18 Q. And with respect to other releases?

19 A. [SEARS] The process was insufficient in the
20 February release, as documented in our exception.

21 Q. Do you know the number of change bulletins
22 issued by Verizon in June?

23 A. [DELLATORRE] No.

24 Q. July?

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1 A. [DELLATORRE] No.

2 Q. August?

3 A. [DELLATORRE] We didn't count those.

4 A. [SEARS] It's not done yet.

5 A. [BOWERS] We don't know September, either.

6 (Laughter.)

7 Q. Do you know how many to date in August?

8 A. [SEARS] No.

9 Q. How long on average does it take to correct
10 the multiple iterations of documentation? I'm on
11 Question 27. KPMG issued Exception 4.3BB12, for
12 example, on February 16th, and it took Verizon three
13 attempts to correct this documentation problem. Has
14 KPMG found this to be the norm in terms of time?

15 A. [SEARS] No, I don't think three iterations
16 is the norm. Every situation is different,
17 depending on the complexity of the problem. And
18 oftentimes we go through an iteration because KPMG's
19 initial assessment was wrong, as well.

20 Q. Is it fair to say that KPMG spent a
21 significant amount of time investigating
22 documentation problems and working with Verizon to
23 correct them?

24 A. [SEARS] Absolutely.

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1 Q. Can you tell me how many people at KPMG were
2 involved in developing these interfaces?

3 A. [SEARS] Can we take a specific instance?

4 Can we talk about how many people we had working on
5 the LSOG 4 June release?

6 Q. Sure.

7 A. [SEARS] Somewhere between two and three
8 full-time equivalents for us during that 60-day
9 period.

10 Q. And these are the number of people that were
11 involved in developing interfaces?

12 A. [SEARS] These are the number of people that
13 were involved in adapting our interfaces to the
14 change -- or to the change in introduced business
15 rules in that LSOG 4 release.

16 Q. Are these the same people who were
17 responsible for finding documentation issues?

18 A. [SEARS] Some of them were and some of them
19 weren't. We had -- fundamentally we had a subject
20 matter expert, an information-technology
21 professional, and what we call a tester working
22 through the LSOG 4 release. So it's likely the
23 subject matter expert would also have been the
24 person involved in finding documentation issues.

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1 It's not likely that the information-technology
2 person would have been really actively isolating
3 documentation issues.

4 Q. This group collectively would discuss these
5 issues with Verizon and work through resolution of
6 any problems?

7 A. [DELLATORRE] There's a different mechanism
8 because of the conduct of the test, that both myself
9 and our observation-and-exception personnel would be
10 involved in communicating the problem back and forth
11 with Bell Atlantic, and the three persons that we're
12 referring to would no longer be involved. So it was
13 different people, but still three FTEs, as Ray says.

14 A. [SEARS] Let me provide a clarification, I
15 think: In addressing the LSOG 4 release in June, we
16 went through the same structured CTE new-release
17 process that CLECs go through. So it involves an
18 iterative process of attempting transactions, seeing
19 if transactions work, and resolving those
20 transactions in the structured process that we
21 executed with Bell Atlantic.

22 Q. Are the full-time employees that are -- you
23 said three to work on interfaces. Are they the same
24 three over the period of time that these interfaces

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1 are developed?
2 A. [SEARS] It's really hard to say. We have a
3 large team of people that works on maintaining and
4 adapting our interfaces, because, as you know, we
5 are involved in testing in other jurisdictions as
6 well. It's highly likely that the subject-matter
7 experts were the same, let's say, for the February
8 release and the June release, and certainly critical
9 elements of the team were the same. It's unclear to
10 me that the IT person would have been the same
11 person.
12 MR. McDONALD: Could I just ask a
13 clarifying question about full-time equivalents?
14 That is the phrase that you used?
15 WITNESS SEARS: Yes.
16 MR. McDONALD: Maybe you could just
17 explain exactly what that means.
18 WITNESS SEARS: It means fundamentally
19 40 hours a week that could be put in by one or
20 several people. Because both the gentlemen to my
21 right would have had input into the LSOG 4 process,
22 even though they perhaps were not day-to-day
23 responsible for it.
24 MR. McDONALD: So that means that two to

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1 three full-time equivalents working on a particular
2 problem means, if it actually was two or three human
3 beings, they would be working on that from 9:00 to
4 5:00 every day, every week, over the course of
5 several weeks in order to get it done?
6 WITNESS SEARS: Or 8:00 to 8:00, which
7 is probably more like it. And Hewlett-Packard also
8 invested some time in this process. We don't
9 control the entire interface process, so there was
10 some time invested by some consultants from
11 Hewlett-Packard in this as well.
12 MR. McDONALD: That's over and above
13 the --
14 WITNESS SEARS: That's above our FTEs.
15 yes.
16 CHAIRMAN CONNELLY: So an FTE is 40
17 hours of billable time.
18 WITNESS SEARS: That's like 40 to 60
19 hours.
20 CHAIRMAN CONNELLY: That's a big range,
21 100 to 150 percent. What is an FTE?
22 WITNESS SEARS: In the environment we're
23 working in, it's more like a 60-hour range. We
24 rarely work 40-hour weeks.

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1 If it were three people full-time from
2 KPMG, that probably would have been in the north-of-
3 150-hours-a-week range, not 120 hours a week.
4 Does that clarify?
5 CHAIRMAN CONNELLY: I guess.
6 Q. Does KPMG believe that it's important for
7 Verizon to perform QA testing prior to releasing an
8 interface for CLEC testing?
9 A. [SEARS] Yes.
10 Q. Is it also important that during testing
11 Verizon maintain a stable test environment?
12 A. [SEARS] Yes.
13 Q. Can you explain why?
14 A. [SEARS] Can you repeat the first half of
15 the question?
16 CHAIRMAN CONNELLY: Why don't you read
17 it back. Read back both questions.
18 (Testimony read from Page 3140, Line 6,
19 to Page 3140, Line 13.)
20 A. [SEARS] The answer to the first part of the
21 question, is it important for Bell Atlantic to do QA
22 testing: It's important to do that because that's
23 the way you introduce the software. And even though
24 virtually all software that's introduced by any

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1 software vendor has bugs, QA testing is important in
2 reducing the number of bugs that are apparent or
3 problems that are apparent to end users.
4 The reason that it's important to
5 maintain a stable test environment is that if I'm
6 going to invest time and resources in making sure
7 that on day one Transaction 1 works, I want to make
8 sure that I don't get a spurious result. So it's
9 very important for me as emulating a CLEC that the
10 test environment is stable and when I test a
11 transaction in the test environment it's got a very
12 high probability of working in the production
13 environment, and that furthermore I don't get a
14 spurious, false positive because of something that
15 happened in the test environment while I was
16 conducting my test and then when I get into the
17 production environment that transaction that looked
18 like it worked doesn't work.
19 Q. Is it your understanding that Verizon
20 performs QA testing prior to releasing an interface?
21 A. [SEARS] It's my understanding they do that,
22 and I believe that that process is documented.
23 Q. How did KPMG evaluate the efficacy of this
24 process?

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1 A. [SEARS] We did not -- other than what we've
2 already spoken about, we did not do a specific test
3 of the effectiveness of their QA process.

4 Q. So KPMG knows that Verizon has a process,
5 but you don't know how well it works?

6 A. [SEARS] Only based on our pseudo-CLEC
7 experience of trying to get our transactions to work
8 and complete our transaction testing in the June
9 time frame, which in my opinion is probably a better
10 test than some sort of stand-alone effectiveness
11 test.

12 Q. In Observation 105 KPMG observed that there
13 were quality issues with the published regression or
14 quality baseline validation test decks. Can you
15 explain what KPMG meant by this?

16 A. [SEARS] The layman answer, after distilling
17 the issue, is that the LSRs as created did not work
18 as well as we would have expected in evaluating that
19 LSOG release.

20 Q. And would you say this would be a problem
21 for CLECs?

22 A. [SEARS] It was a problem for us, so I would
23 believe it would be a problem for CLECs, yes.

24 Q. And that's been resolved?

1 if CLECs were only using those types of
2 transactions, they would have experienced no
3 frustration or difficulty. If a CLEC had the same
4 mix of transactions or a mix of transactions that
5 had some of those that didn't work at all, they
6 would have experienced potential delays. They would
7 have experienced a process that required time to get
8 those transactions to work, which would have been
9 frustrating potentially.

10 Q. Can you reference Observations Nos. 26, 36,
11 37, 75, 80, and 85. Each of these observations
12 involve instances where Bell Atlantic's system of
13 documentation required fixes. Did KPMG convert any
14 of these observations into exceptions?

15 A. [SEARS] The answer is no, none of these
16 were converted into exceptions.

17 Q. Why is that?

18 A. [SEARS] Because all these issues were
19 corrected. None of those individual observations
20 would have by itself resulted in a not satisfied in
21 the evaluation criteria.

22 Q. Would any of those observations have
23 impacted CLEC business?

24 A. [SESKO] Yes, those observations -- the

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1 A. [SEARS] That problem was resolved during
2 the 60-day time frame that we evaluated this release
3 on, yes.

4 Q. In Exception 7 KPMG noted the recurring
5 changes to the test deck, which indicate that Bell
6 Atlantic did not strictly adhere to its documented
7 internal quality-assurance procedures. Is that
8 correct?

9 A. [SEARS] That's what the exception says,
10 yes.

11 Q. Would you say that's a problem for CLECs?

12 A. [SEARS] May I have a second to read this,
13 please?

14 (Pause.)

15 A. [SEARS] It's clear that the recurring
16 changes in the test deck made the process of
17 implementing this new release more difficult and
18 time-consuming than it would have been had there not
19 been those changes to the test deck.

20 Q. And CLECs would have experienced the same
21 frustration?

22 A. [SEARS] CLECs -- if the CLECs --

23 There were a number of test-deck
24 transactions that worked right out of the box. So

1 actions that those observations describe would have
2 impacted CLEC business, yes.

3 Q. Is there any opportunity at all for CLECs to
4 comment on observations?

5 A. [SEARS] Absolutely. There's a weekly
6 observations call on Friday afternoon, and CLECs are
7 encouraged to attend and ask clarifying questions.

8 Q. Is there an opportunity for CLECs on those
9 calls to ask that observations be converted into
10 exceptions?

11 A. [SEARS] I believe that would be an issue
12 for the DTE, not for KPMG.

13 Q. And the DTE participates in those phone
14 calls?

15 A. [SEARS] Yes.

16 Q. Can you turn to Page 102 of the report, POP-
17 2-6-5. In the comments, I guess it's the third
18 paragraph of the comments, KPMG says that while the
19 information provided by Verizon business rules was
20 generally correct, the required field CLEC name was
21 consistently omitted from the SEMs returned. First,
22 why is there a satisfied result where that
23 inconsistency appears?

24 A. [DELLATORRE] The materiality: That's one

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1 field on the form.
2 Q. Is it KPMG's view that that's not a material
3 issue?
4 A. [DELLATORRE] That particular field did not
5 impede our error resolution.
6 Q. Do you expect that it would impact CLECs?
7 A. [DELLATORRE] I do not expect that, no.
8 Q. Can you turn to Page 105, POP 2-8-5. Again,
9 in the comments KPMG refers to inconsistencies,
10 generally omissions. And again, the field was not
11 essential to KPMG Consulting error-resolution
12 activities. Is that why you've expressed a
13 satisfied result?
14 A. [DELLATORRE] Yes.
15 Q. And again, you don't expect that this
16 omission would cause CLECs a problem?
17 A. [SEARS] Our view on this particular item is
18 that the error code is not typically helpful in
19 resolving errors in the first place, and we often
20 had to call the help desk. So the fact that this
21 was not returned to us really didn't materially
22 impact our ability to be a pseudo-CLEC.
23 Q. I'm sorry, you said the error code wasn't
24 helpful in the first place?

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1 CHAIRMAN CONNELLY: Why don't you read
2 back the answer.
3 (Answer read.)
4 CHAIRMAN CONNELLY: Do you have a
5 question now on that?
6 MS. JOHNSON: Yes.
7 Q. I'm curious as to why you've reached a
8 satisfied result when you don't find the information
9 in the field particularly helpful.
10 A. [SEARS] Because there's a field called
11 remarks that actually provides you with the
12 information that you need to resolve the error.
13 Q. Do you know whether these error-code
14 inconsistencies are going to be corrected so that
15 they would be more helpful?
16 A. [SEARS] I missed the question.
17 CHAIRMAN CONNELLY: Why don't you read
18 the question back, please.
19 (Question read.)
20 A. [SEARS] No.
21 Q. You don't know whether they'll be corrected,
22 or they're not going to be corrected?
23 A. [DELLATORRE] No, we do not know whether
24 they are going to be changed.

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1 Q. Will the business rules refer CLECs to a
2 different portion or a different field to get a
3 better understanding of the errors?
4 A. [SEARS] The question was whether Bell
5 Atlantic would change their business-rules
6 documentation. I honestly don't know where the
7 business-rules documentation points you. I am told
8 by my team that we consistently used the remarks
9 field in our error-resolution activities and did not
10 use the error-code field.
11 Q. So it would be useful if the business rules
12 referred CLECs to the remarks.
13 A. [SEARS] If they don't refer them to the
14 remarks, then, yes, it would be.
15 Q. POP 2-8-4, on the same page. The result is
16 not complete. Has KPMG finished its analysis of
17 due-date accuracy?
18 A. [SEARS] This is the LSOG 4 due dates, and
19 this is Exception 16. This criteria will be a not
20 satisfied in our final report.
21 Q. And it will not be retested by KPMG?
22 A. [SEARS] We actually, as of the first thing
23 this morning, were in the process of retesting this.
24 It's unclear that we're going to complete that

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1 retest.
2 Q. If you do complete the retesting, where will
3 the results appear?
4 A. [SEARS] Right now the result is a not
5 satisfied, so it would either remain as a not
6 satisfied or it could become a satisfied.
7 Q. Do you have any expectations of how long the
8 retesting will take?
9 A. [SEARS] The answer is that it's unlikely
10 that that retest will complete.
11 Q. At all?
12 A. [SEARS] At all.
13 Q. Could you turn to Page 141, POP 4-14.
14 KPMG's comments say that the business-rule and EDI
15 documentation includes the expected results of the
16 process but not cycle times. Can you explain your
17 satisfied result?
18 A. [SEARS] I guess the issue is that we did
19 not expect the documentation actually to include
20 cycle times. The cycle times are included in the
21 carrier-to-carrier metrics. So we probably should
22 have changed that evaluation criteria in this
23 particular instance to "documentation excludes the
24 expected results of the process," period.

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1 Q. Do you expect cycle times to be included in
2 the future?

3 A. [SEARS] If they continue to be included in
4 the carrier-to-carrier metrics, that would be a
5 duplication of data. I don't believe it's essential
6 that they're in the documentation.

7 Q. Could you turn to Page 162, POP 5-6. In
8 KPMG's findings, you recite Bell Atlantic's
9 experience, 80 percent of calls answered within 30
10 seconds, but KPMG is unable to capture this data on
11 its own. Can you explain the satisfied result?

12 A. [DELLATORRE] This is referring to KPMG's
13 data, not Bell Atlantic's data. This is data that
14 we generated. The last sentence, "KPMG Consulting
15 was unable to capture data to replicate this measure
16 as it is defined and reported," means that the data
17 points that are actually defined in the carrier-to-
18 carrier were data points that we were unable to
19 replicate identically. But we did conduct our own
20 evaluation to get the data that is there. That's
21 KPMG's data.

22 A. [SEARS] 84 percent within 30 seconds is
23 KPMG data, and we were unable to obtain time-point
24 data from within Bell Atlantic's call centers to

1 A. [SEARS] Well, that's not true. Most of the
2 issues in the TISOC are dealt with on a PON basis.

3 A. [DELLATORRE] That's right.

4 A. [SEARS] So you know you're being effective
5 in a TISOC when you actually get a local-service
6 confirmation. Most of the statistics exist to
7 process orders. So a high percentage of their
8 transactions, you know what your status is because
9 they have processed your order and there are
10 publicly available guidelines for stating how
11 effective the TISOC is at doing their main
12 responsibility.

13 Q. So in the evaluation criteria, where the
14 responsibilities for tracking help-desk performance
15 are assigned, that criteria actually isn't met, is
16 it?

17 A. [SEARS] It's met for the GUI help desk,
18 which is a formal help desk, yes. And the BASS help
19 desk. So for the two formal help desks, it's
20 clearly assigned. For an area where we have
21 observed that help-desk calls are received that is
22 not a formal help desk, it's not evaluated or
23 tracked.

24 Q. Do you know whether the TISOC refers those

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1 allow -- to see whether or not their own statistics
2 would have reported that 80 percent of the calls
3 were answered within 30 seconds. But our sample
4 indicates that 84 percent of the calls are answered
5 within 30 seconds.

6 Q. Can you turn to Page 166, POP 5-19. You say
7 in your comments the performance of help-desk
8 responsibilities in the TISOCs is not evaluated or
9 tracked. Can you explain the satisfied --

10 A. [SEARS] This actually got quite a bit of
11 conversation in our team last week. The TISOC does
12 not have formal help-desk responsibilities. A lot
13 of users use the TISOC as if it were a formal help
14 desk. But the TISOC is not a formal help desk, and
15 as a consequence does not measure or does not
16 evaluate and track those calls that come in that are
17 more help-desk-like calls.

18 Q. Do you know what percentage of calls that
19 come into the TISOC are help-desk-like calls?

20 A. [SEARS] No.

21 Q. Do you know whether it's a high percentage?

22 A. [SEARS] No.

23 Q. But they don't track whatever comes in, at
24 all?

1 calls to a formal help desk?

2 A. [SEARS] Sometimes they did forward those
3 calls on to a formal help desk, yes.

4 Q. Do you know whether that's a criterion for
5 forwarding those calls on to a formal help desk?

6 A. [SEARS] Can you repeat the question?

7 CHAIRMAN CONNELLY: Why don't you read
8 it back.

9 (Previous two questions read.)

10 A. [SEARS] The answer is, the next several
11 evaluation criteria talk about processes within the
12 TISOC. I don't know as I'm sitting here today
13 whether that's a formal process to forward on calls
14 on to an appropriate help desk. There are lots and
15 lots of TISOC processes.

16 Q. Do you know whether the TISOC attempts to
17 answer these calls before forwarding them on to a
18 help desk?

19 A. [SEARS] I'd be speculating.

20 Q. When would an unsatisfactory result be
21 sustained relative to Verizon's inaccurate
22 documentation and failure to consistently follow
23 change-management processes? It's Question 34.

24 A. [SEARS] You're getting into kind of a

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1 hypothetical. I would guess that if the process
2 of -- if we had -- if the process that was used to
3 evaluate the February release, if that had been the
4 end of the change-management process, that would
5 have been evaluated as a not satisfied in the
6 report. That's the reason that we issued an
7 exception on the February release of LSOG 4
8 documentation.

9 So I can't give a global answer. I can
10 point you to an example where clearly the quality of
11 the documentation that was released we believe would
12 have led to an unsatisfactory or a not satisfied
13 evaluation, because we issued an exception on that
14 particular release.

15 Q. To what extent did KPMG evaluate Verizon's
16 rollout and implementation of expressTrak?

17 A. [SEARS] Not at all.

18 Q. Is KPMG aware of Verizon's intention to
19 implement expressTrak?

20 A. [SEARS] In Massachusetts? No.

21 Q. In other jurisdictions?

22 A. [SEARS] Yes.

23 MS. CARPINO: Off the record for a
24 moment.

1 was not as thorough as the LSOG 2 testing?

2 A. [SEARS] From a feature/function standpoint
3 it would not be fair to say that. From testing the
4 LSOG 4-specific interface, I believe it would be
5 fair to say that, yes.

6 Q. How did KPMG validate the documentation for
7 LSOG 4?

8 A. [SEARS] The same way we did LSOG 2. There
9 were documentation tests, and we attempted to use
10 the documentation to initiate a variety of order and
11 preorder scenarios.

12 Q. And was that testing as thorough as with
13 LSOG 2?

14 A. [SEARS] That testing would have been as
15 thorough as with LSOG 2, because we needed to
16 execute each scenario in LSOG 4 and in LSOG 2.

17 Q. How, if at all, does KPMG's test of
18 Verizon's LSOG 4 interfaces in Massachusetts differ
19 from that in New York?

20 A. [SEARS] We didn't -- LSOG 4 was not
21 available during the conduct of the New York test.

22 Q. So you didn't test LSOG 4 at all?

23 A. [SEARS] No.

24 CHAIRMAN CONNELLY: Where?

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1 (Recess taken for lunch.)

2 MS. CARPINO: We're going to go back on
3 the record now. Ms. Johnson, would you like to
4 continue?

5 MS. JOHNSON: Yes. Thank you. We do
6 have a series of questions to KPMG that the
7 Department has cautioned us about. We do feel it's
8 important to get these questions on the record.
9 We'd prefer it if KPMG answered them. We do feel
10 that they're very relevant to the issues that we're
11 discussing here.

12 Q. The first concerns LSOG 4 versus LSOG 2.
13 How, if at all, does KPMG's test of Verizon's LSOG 4
14 interfaces differ from its test of LSOG 2
15 interfaces?

16 A. [SEARS] There are two differences between
17 the tests, two principal differences between the
18 tests. There's a -- we did essentially the same
19 breadth of scenarios in the LSOG 4 test as we did in
20 the LSOG 2 test; we just didn't do as many of each
21 scenario. The other substantial difference was,
22 there was no LSOG 4 volume test done in
23 Massachusetts.

24 Q. So is it fair to say that the LSOG 4 testing

1 MS. JOHNSON: In New York.

2 CHAIRMAN CONNELLY: And your answer?

3 A. [SEARS] LSOG 4 was not available until
4 February of the year 2000. We had completed testing
5 in New York of August of 1999.

6 CHAIRMAN CONNELLY: And the FCC had
7 ruled on the application in New York in December of
8 '99?

9 WITNESS SEARS: That's correct.

10 CHAIRMAN CONNELLY: So you didn't do
11 LSOG 4.

12 WITNESS SEARS: LSOG 4 just wasn't
13 available during the entire time frame of the New
14 York application.

15 Q. How did the testing of LSOG 4 in
16 Massachusetts differ from the test in Pennsylvania?

17 A. [SEARS] The test in Pennsylvania is not
18 complete. From a scope perspective, they're very
19 similar.

20 Q. Can you elaborate on that? What are the
21 similarities, differences?

22 A. [SEARS] The test is going to be essentially
23 the same thing. Right now -- and again, the LSOG 4
24 test in Pennsylvania is not complete. We will do

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1 what's known -- we will do a feature/function test
2 of LSOG 4 in Pennsylvania. We're not contemplating
3 doing the volume test, nor have we been asked to do
4 a volume test, of LSOG 4 in Pennsylvania. The
5 differences would be that some of the business
6 scenarios and product offerings are different in
7 Pennsylvania than they are in Massachusetts, so
8 that's where the differences would primarily lie.

9 Q. Can you refer to Page 9 of the report. It's
10 5.7 of the summary. In that section KPMG
11 acknowledges that Bell Atlantic - Massachusetts and
12 Bell Atlantic - New York share system interfaces
13 documentation, personnel policies, and procedures.
14 Is that correct?

15 A. [SEARS] That's correct.

16 Q. WorldCom discovered, and Verizon concedes,
17 that at least for a period of time in April and May
18 Verizon's SMARTS clock contained a glitch, such that
19 it was providing due dates to CLECs out of parity
20 with those provided to Verizon retail. Has KPMG
21 discovered the same problem in Massachusetts?

22 A. [SEARS] We did not see the problem either
23 in our transaction or process testing in
24 Massachusetts. However, the amount of testing we

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1 by this center to be consistent, repeatable, and
2 comparable with the retail corresponding centers.
3 That would be the NTSC -- I believe that's the
4 medium-customer service center; the JOBST, the
5 general-business service center; and the LEBSCH, the
6 large-business service center.

7 NTSC is the major-customer-service
8 center; I'm sorry.

9 Q. WorldCom found during June testing of LSOG
10 4.3.1 for New York that when attempting to access
11 the SMARTS clock via EDI WorldCom was receiving
12 error messages if the transmission it sent contained
13 characters with underscoring. Did KPMG discover
14 this problem in Massachusetts?

15 A. [SEARS] We didn't test characters with
16 underscores, so we didn't test the error condition
17 that you found.

18 Q. WorldCom discovered during June testing of
19 LSOG 4.3.1 for New York as well as in Pennsylvania
20 that it was receiving error messages when it placed
21 orders for coordinated hot cuts that included
22 disconnecting one of the customer's lines. Is this
23 a problem that KPMG found in Massachusetts?

24 A. [SESKO] Can I ask that question be

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1 did during that time frame was very small. Our test
2 was mostly executed around the end of May, into
3 June, not during April and May.

4 Q. So are you saying that the type of testing
5 that you did would not have uncovered this problem?

6 A. [SEARS] No, I'm saying that the time frames
7 for that problem and our testing may not have
8 overlapped.

9 Q. Can you explain what kinds of tests were
10 conducted that demonstrated Verizon's SMARTS clock?

11 A. [SEARS] We did a process test -- and I'll
12 let Steve expand on this. We did a process test in
13 the provisioning arena that was designed to test, I
14 believe, what we're talking about here. Steve, do
15 you want to describe that?

16 A. [SESKO] Yes. The wholesale group that
17 works with provisioning of these types of orders is
18 the RCCC. We did a data process test to look at the
19 overall methods and procedures used by the RCCC and
20 found them to be consistent, repeatable, and
21 comparable with their retail equivalents. That
22 would be the -- we did a methods and procedures
23 review of the RCCC; that's the regional CLEC
24 coordination center -- and found the processes used

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1 repeated?

2 (Question read.)

3 A. [SEARS] We didn't see that problem in
4 Massachusetts.

5 Q. Did KPMG conduct tests that would have
6 uncovered this problem in Massachusetts?

7 A. [SEARS] We did not execute that particular
8 scenario, which is a migration or a partial
9 migration with a disconnect.

10 Q. So you don't know whether you would have
11 found this problem here.

12 A. [SEARS] Right.

13 Q. WorldCom discovered in June testing of LSOG
14 4.3.1 for Pennsylvania that Verizon was returning
15 thoroughfare information with abbreviations AV
16 rather than AVE, inconsistent with Verizon's
17 business rules; that Verizon was returning state
18 information in the header rather than the detail as
19 specified in the business rules; and that it was
20 returning invalid values in the class-of-service
21 field. Is this a problem that KPMG discovered in
22 Massachusetts?

23 A. [SEARS] We didn't discover it, and I would
24 not have expected to discover it in Massachusetts.

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1 Q. Why is that?

2 A. [SEARS] It's my understanding that most of
3 the back-end systems for Verizon South are different
4 than the back-end systems for Verizon North.

5 Q. Does Verizon North use thoroughfare
6 information with abbreviations?

7 A. [DELLATORRE] Yes.

8 A. [SEARS] Yes.

9 Q. And you found no inconsistencies with
10 respect to the business rules and those
11 abbreviations in Massachusetts?

12 A. [BOWERS] No, we did not.

13 Q. WorldCom has found in other jurisdictions --

14 CHAIRMAN CONNELLY: Such as?

15 Q. -- such as Pennsylvania a couple of problems
16 that are cited in exceptions in Pennsylvania, and
17 I'll just read through them and ask if you've found
18 those problems here.

19 CHAIRMAN CONNELLY: Is Pennsylvania the
20 only one of that series of jurisdictions you're
21 making reference to?

22 MS. JOHNSON: These series of exceptions
23 only have to do with Pennsylvania.

24 CHAIRMAN CONNELLY: So it shouldn't be

1 have done loop qualifications and there were no
2 facilities available when we attempted to provision
3 a circuit in xDSL. Correct?

4 A. [SESKO] Correct.

5 Q. So that's an issue that was raised in
6 Massachusetts?

7 A. [SEARS] It's an issue that has been raised
8 in Massachusetts.

9 Q. Has it been resolved in Massachusetts?

10 A. [BOWERS] Yes, it was.

11 A. [SEARS] Yes.

12 Q. Absence of a response for numerous LSRs
13 submitted to Verizon?

14 A. [SEARS] No. A very small percentage here.
15 Not the level -- I can tell from you personal
16 experience, not the level that we've experienced in
17 Pennsylvania, not even remotely close.

18 Q. In Pennsylvania KPMG found in Observation
19 110 that Verizon's June release for LSOG 4.3.1,
20 Verizon's test environment was unstable, and when
21 KPMG created and reran Verizon's test deck, it did
22 not succeed at the same rate claimed by Verizon. Is
23 that a problem that was found in Massachusetts?

24 A. [SEARS] The problem was -- there were

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1 plural: "jurisdiction."

2 MS. JOHNSON: Correct.

3 CHAIRMAN CONNELLY: Thank you.

4 Q. Bell Atlantic's telephone-number reservation
5 function sometimes returns invalid NPA NXXs. Is
6 that an issue that was raised in KPMG's testing in
7 Massachusetts?

8 A. [SEARS] No.

9 Q. Failure of Bell Atlantic's EDI preorder
10 interface to return available due dates?

11 A. [SEARS] No.

12 Q. LSOG 3 EDI ISDN and xDSL preorder
13 transactions did not provide valid results for
14 nonworking service transactions?

15 A. [SEARS] Without actually reading the
16 Pennsylvania exception, I would be speculating. It
17 sounds similar to an issue that we had with regard
18 to xDSL in Massachusetts; but without reading the
19 specifics -- that's a pretty general statement.
20 Without reading the specific exception, I don't know
21 if it's identical.

22 Q. Loop qualification inquiries that failed
23 during testing?

24 A. [SEARS] We have had situations where we

1 problems with that release. We've talked about
2 them. The problem is different in the sense that
3 the test deck used in Massachusetts is not the same
4 test deck that's used in Pennsylvania, and so the
5 results in Pennsylvania don't necessarily need to
6 correlate with the results in Massachusetts.

7 Q. And have the problems that have been found
8 in this issue been resolved?

9 A. [SEARS] In Pennsylvania?

10 Q. In Massachusetts.

11 A. [SEARS] Yes.

12 Q. During KPMG's testing in Verizon's CTE what
13 process was used to determine the conditions for
14 receiving PCNs and BCNs?

15 A. [DELLATORRE] Initially we expected all of
16 our transactions to receive PCNs and BCNs. We did
17 not receive them all. We opened up Observation No.
18 88. Bell Atlantic subsequently revised its CTE
19 process documentation, and now completion notices
20 are delivered on a prenegotiated basis.

21 Q. KPMG found that BCNs were returned late more
22 than 25 percent of the time. Why did KPMG conclude
23 that Verizon's performance was satisfactory?

24 A. [DELLATORRE] 95 percent of the BCNs were

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1 received within two days of the BCN CD, or
2 completion date, and this is why we concluded that
3 it was satisfactory.
4 A. [SEARS] The other thing that's important to
5 note here is that we are using different time-stamp
6 data than Verizon uses in calculating its own
7 metrics. On the metrics -- when we get to metrics,
8 what you'll find is in this particular area of Bell
9 Atlantic's self-reported and analyzed-by-KPMG data.
10 I believe shows them to provide over 98 percent of
11 these notifiers on a timely basis. So we had a
12 little bit of difficulty reconciling our data with
13 their data, but one of the reasons for that
14 difficulty is that the data that Bell Atlantic uses
15 to make that assessment is not normally provided to
16 CLECs. That's the CRIS completion date.
17 Q. Did KPMG perform any type of root-cause
18 analysis for the late notifiers?
19 A. [SEARS] No.
20 Q. KPMG calculated BCN timeliness as the date
21 delivered relative to the completion date on the
22 BCN. Would Verizon's timeliness have been worse or
23 better if calculated relative to transmission of the
24 PCN?

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1 A. [DELLATORRE] We actually did not calculate
2 that.
3 A. [SEARS] So we don't know.
4 Q. Who calculated it?
5 A. [DELLATORRE] The comparison between PCN and
6 BCN is not made in Massachusetts.
7 I'd like to state a correction. Before
8 I said Observation 88 in reserves to the CTE. It's
9 actually Exception No. 8.
10 Q. Speaking of Exception No. 8, why did KPMG
11 close the exception with only 28 of the 41 orders
12 successfully completed?
13 A. [DELLATORRE] This is related to that same
14 response --
15 A. [SEARS] It was closed because BA changed
16 the CTE process, and the expectation of the CLEC now
17 is that you will negotiate when you're going to get
18 BCNs and PCNs in the CTE process. And we had
19 actually not negotiated to receive any BCNs or PCNs
20 in the CTE process when we executed this test.
21 Q. Why is that?
22 A. [SEARS] We were unaware that we needed to
23 negotiate during the process.
24 Q. Did KPMG test return of PCNs and BCNs as

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1 part of the volume test?
2 A. [SEARS] No.
3 Q. Let me refer you to Page 59, POP 1-6-7.
4 Please explain what KPMG means when it states that
5 "these BCN fields were not essential to KPMG
6 Consulting billing initiation activities."
7 A. [GIUGNO] We reviewed a number of fields on
8 the BCN for completeness relative to the business
9 rules, and we found that two fields were missing.
10 We did not find that the absence of data in these
11 fields impeded us in any way from continuing with
12 our ordering or billing activities.
13 Q. Do you expect that the absence of these
14 fields would impede CLECs' activities at all?
15 A. [GIUGNO] I couldn't answer that question.
16 We did not use them.
17 A. [SEARS] It doesn't impede our activities,
18 which are similar to CLECs' activities. It's
19 possible that individual CLECs may use these fields.
20 We did not.
21 Q. So you don't know whether it would impede
22 them or not.
23 A. [SEARS] Right, because I don't know if a
24 variety of CLECs are using these fields. We did not

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1 find the absence of these fields disabled any
2 functionality for us.
3 Q. Turn to Page 163 of the report, POP 5-8.
4 KPMG says the average time for resolving help-desk
5 issues was four days. Why is this considered
6 satisfactory?
7 A. [SEARS] It's considered satisfactory mostly
8 because of the way we actually use the help desk.
9 And we're a little bit different from a regular
10 CLEC, or quite a bit different from a regular CLEC,
11 in this regard: When we open a ticket at the help
12 desk, we do not close the ticket until the trouble
13 that's identified -- until Bell Atlantic represents
14 that the trouble is completed, that we construct the
15 retest, that we execute the retest, and that it's
16 completed satisfactorily. So, for example, we could
17 have opened a help-desk ticket because we were
18 unable to execute a transaction. It could have
19 taken Bell several weeks to correct the transaction.
20 It might then take us several weeks to actually
21 reexecute it. Let's say it had to do with a
22 long-lead-time circuit. We would have left the
23 trouble ticket open for the entire eight-week
24 period. We don't believe that that's representative

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1 of the way that most CLECs use this process. In
2 fact, I think 22 percent of our tickets are open for
3 a very, very long period of time. We don't think
4 that's representative of the way most CLECs use the
5 help-desk functionality.
6 Q. Can you explain how you think most CLECs use
7 the help-desk functionality?
8 A. [SEARS] My understanding of the way most
9 CLECs use the help-desk functionality and the way
10 that Bell Atlantic looks at it as well is that once
11 you're told that the problem is fixed the trouble
12 ticket is closed. We don't do that. We don't close
13 trouble tickets on a promise. We close them after
14 we have executed a retest.
15 Q. And when is the trouble ticket opened?
16 A. [SEARS] When you call the help desk.
17 Q. Can you turn to Page 165, POP 5-18. It
18 concerns whether the process performance measures
19 are defined and measured. What were the
20 measurements?
21 A. [SEARS] I think it's actually answered in
22 the comment. The performance standard is an
23 internal performance standard. It's to return 100
24 percent of LSCs or SEMs to the CLECs within an

1 Atlantic could return to us. But in this particular
2 case there was a significant issue with regard to
3 getting suite or apartment on the transaction. But
4 again, it's a very, very small sample of the overall
5 preorder address queries that we ran and of the
6 preorder address fields that were returned to us.
7 Q. POP 1-6-2, on the same page.
8 A. [SEARS] That's correct.
9 Q. In the comments KPMG has said preorder error
10 responses were complete with respect to Bell
11 Atlantic - Massachusetts business-rule requirements
12 but the error remarks did not provide an adequate
13 level of information to determine the cause of error
14 in all cases examined.
15 A. [SEARS] This came up in an earlier
16 question.
17 Q. It was on a different POP, but it's the same
18 issue?
19 A. [SEARS] I think it's the same issue of
20 error code versus remarks, where --
21 A. [GIUGNO] Actually, this is a different
22 issue. There were a very small number of pure
23 errors which we could not figure out on our first
24 try what the error message meant. It's a subjective

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1 established time frame.
2 Q. It's your understanding that Verizon met
3 the --
4 A. [SEARS] No, this criteria is not an
5 achievement. It's a presence or absence. The
6 evaluation criteria is the performance measures, are
7 they defined and measured. And the answer is yes,
8 they are defined, and yes, they're measured. This
9 evaluation criteria is not designed to assess
10 whether or not they're meeting a standard.
11 Q. Can we go back to Page 56 of the report.
12 Footnote 36. KPMG says that Verizon returned
13 inaccurate address validation on 64 percent of
14 samples viewed. Why in the corresponding table did
15 KPMG conclude that Verizon's performance was
16 satisfactory?
17 A. [SEARS] This is actually on an extremely
18 small subsample of our address validation and
19 preorders. 64 percent of the time we got inaccurate
20 information by transposing or interposing suite,
21 unit, and apartment, and this represents a very,
22 very small sample of all of our preorder
23 transactions. It also represents a very, very small
24 sample of the number of data fields that Bell

1 criteria relative to the level of experience of the
2 particular customer-service rep reading the error
3 message. In all cases -- and it was a small number
4 of cases -- we contacted the help desk per a Bell
5 Atlantic process when you don't understand the error
6 message, and through the help desk we were able to
7 determine what the cause for error was and
8 subsequently resend our transaction.
9 Q. Does KPMG expect that CLECs should have to
10 go through this process of calling up the help desk
11 because they can't understand the error messages?
12 A. [GIUGNO] It's dependent on the level of
13 experience of a CLEC's representatives. But yes, we
14 would expect that they would use the help desk if
15 they were unable to determine the error code on
16 their own.
17 Q. Well, you said the experience of the CLECs.
18 KPMG needed to go back to Bell Atlantic to get
19 clarification, did they not?
20 A. [GIUGNO] Correct.
21 A. [SEARS] The issue is that a more
22 experienced order writer or a more experienced
23 tester or transaction generator might be able to
24 understand that remarks field because they've seen

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1 it before, versus someone who is brand-new, who
2 might say, "I don't understand what this means." So
3 it's not dependent on the CLEC per se; it's actually
4 dependent on the experience of the individual in the
5 CLEC itself.

6 So there were situations where one of
7 our people would have said, "I know what to do with
8 that." Another one of our people would have said,
9 "I don't understand this. I've never seen it
10 before."

11 COMMISSIONER VASINGTON: You said in a
12 small number of cases. Can you put that in any kind
13 of context, give us a rough percentage estimate?

14 WITNESS GIUGNO: Under 3 percent.

15 COMMISSIONER VASINGTON: Thank you.
16 Under 3 percent of the time you had to go to the
17 help desk to resolve this problem?

18 WITNESS GIUGNO: Under 3 percent of the
19 time we were unable to resolve the error based on
20 our first reading of the error message.

21 COMMISSIONER VASINGTON: Thank you.

22 Q. Is the remarks field generally accessible to
23 CLECs?

24 A. [SEARS] I may have misdirected you on this

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1 Q. How was that definition refined or revised?

2 A. [SEARS] Bell Atlantic actually controls the
3 definition of flow-through and non-flow-through, and
4 they changed their documentation.

5 Q. After the test was initiated?

6 A. [BOWERS] During.

7 A. [SEARS] During.

8 Q. Before the results were obtained or after?

9 A. [SEARS] You know, I don't know -- I'm
10 guessing after.

11 A. [BOWERS] It's a guess.

12 A. [SEARS] I would guess it was after the
13 observations were issued with regard to this
14 document, with regard to these flow-through rates.

15 Q. Can you tell me why the flow-through rates
16 were lower in the functional test than in the volume
17 stress test?

18 A. [SEARS] Because the volume stress tests,
19 the small number of orders is designed to flow
20 through. It's designed to test flow-through
21 capabilities. It's not designed to have significant
22 fallout. So it's a pure design issue. I could
23 create a volume test that could be 100 percent.
24 It's just the test design.

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1 question. This is not --

2 A. [GIUGNO] This is not the distinction
3 between error code versus error remarks. But yes,
4 in our experience the remarks are returned on all
5 responses with an error message, all errored
6 responses. I guess I'm not sure exactly what you
7 mean by "accessible to CLECs."

8 Q. The error remarks that are referred to in
9 POP 1-6-2.

10 A. [GIUGNO] They're returned on the error
11 message, yes.

12 Q. So they come back to the CLEC.

13 A. [GIUGNO] Correct.

14 Q. With reference to POP 3-1 and 3-3, Page 119
15 and 120. KPMG reports that it initially found an
16 achieved flow-through rate of 85.3 percent for
17 resale and 62.1 percent for UNE loop. Which
18 scenarios did not flow through that were expected to
19 flow through, and how was this fixed?

20 A. [SEARS] We will have to provide you with a
21 list of scenarios that did not flow through later
22 today. We don't have that at this moment.

23 The short answer how it was fixed was a
24 redefinition of the flow-through documentation.

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1 Q. On Page 122 of the report KPMG states that
2 of a random sample of 176 New York and Massachusetts
3 orders, only 105 orders were flow-through-eligible.
4 Which orders were not flow-through-eligible?

5 A. [SEARS] It's going to come in the same
6 response to which scenarios did not flow through
7 that were expected to flow through, in the previous
8 question.

9 Q. Do you know how many of the 176 orders were
10 New York orders?

11 A. [SEARS] Yes.

12 A. [BOWERS] 142.

13 Q. So the majority were New York orders?

14 A. [BOWERS] Yes.

15 Q. Do you know how many of those are flow-
16 through-eligible?

17 A. [BOWERS] Of the 105 eligible flow-through
18 orders, 24 were Massachusetts and 81 were New York.

19 Q. KPMG also reports that of the flow-through-
20 eligible orders, only 59 percent flowed through.
21 Did KPMG evaluate why these orders did not flow
22 through, why the remaining orders did not flow
23 through?

24 A. [SEARS] The No. 1 reason that orders did

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1 not flow through was because of errors.
2 Q. What kind of errors?
3 A. [SEARS] Operator errors.
4 Q. Resolvable?
5 A. [SEARS] I'm sure they're resolvable errors.
6 Q. Do you know whether they were resolved?
7 A. [SEARS] I don't know. These are CLECs'
8 operator errors, by the way, just to clarify.
9 Q. But you don't know what type of errors they
10 are?
11 A. [SEARS] They can be anything from
12 typographical errors to misreading the business
13 rules.
14 Q. Are there any other reasons why orders
15 didn't flow through?
16 A. [SEARS] There are a number of orders that
17 did not flow through, but we were not provided with
18 the information as to why they did not flow through.
19 Q. Did KPMG inquire from Verizon?
20 A. [SEARS] Yes, we did, and we weren't
21 provided with the information.
22 Q. On Page 123 of the report KPMG discusses
23 four scenarios that were flow-through-only in the
24 retail environment. Can you describe these four

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1 scenarios?
2 A. [SEARS] Our information leads us to believe
3 that those scenarios are hunting and Ringmate
4 scenarios.
5 Q. All four?
6 A. [SEARS] Yes.
7 Q. You said your information leads you to
8 believe. What does that mean?
9 A. [SEARS] There's an issue, actually, as to
10 whether or not this is proprietary information. But
11 the scenarios -- the four scenarios that we were not
12 able to execute, I think one was a Ringmate scenario
13 and three were hunting scenarios.
14 Q. Would you identify the specific ordering
15 conditions that were originally identified as
16 flow-through by Verizon but subsequently changed to
17 non-flow-through during the course of the test?
18 A. [SEARS] That's essentially the same list
19 we've already talked about providing.
20 Q. Could you also provide the percent of those
21 that's due to Verizon documentation error?
22 A. [SEARS] I believe that's 100 percent.
23 Q. Can you explain why KPMG did not get any
24 flow-through orders with pending orders, orders in

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1 treatment, or other issues that make information?
2 A. [SEARS] Can you clarify this question?
3 CHAIRMAN CONNELLY: Why don't you read
4 it back.
5 MS. JOHNSON: I'll withdraw it.
6 CHAIRMAN CONNELLY: Then don't bother to
7 read it back.
8 Q. Refer to Section B 1.1 of the report.
9 CHAIRMAN CONNELLY: Is there a page
10 reference on that?
11 MS. JOHNSON: Page 10.
12 Q. What additional evidence and retesting was
13 done to change KPMG's opinion on the extent to which
14 senior management was involved in problem
15 resolution?
16 A. [DELLATORRE] KPMG received internal
17 memoranda, meeting notes, and also participated on
18 several calls in which senior personnel in Bell
19 Atlantic were involved in issue resolution for other
20 CLECs.
21 COMMISSIONER VASINGTON: When you say
22 "internal memoranda," you mean BA?
23 WITNESS SEARS: Internal Bell Atlantic
24 memoranda.

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1 WITNESS DELLATORRE: Correct.
2 MS. JOHNSON: I have no more questions.
3 but Mr. McDonald has a few follow-ups.
4 MS. CARPINO: Okay.
5 CROSS-EXAMINATION
6 BY MR. McDONALD:
7 Q. Just to get back to -- there was some
8 discussion before about a 60-day time frame in
9 connection with the release of documentation or of a
10 new release until it would be in production. First
11 of all, could I get just a clearer understanding of
12 what the chronology is?
13 A. [PHAN] I think what it refers to is a
14 change management --
15 It's not 60 days; it's 66 days. That
16 was before. But then Bell Atlantic recently, with
17 CLEC agreement, modified that to 73 days, document
18 release interval.
19 Q. What was it at the time of the initial LSOG
20 4 release?
21 A. [PHAN] It's 66 days.
22 Q. So then the chronology should have been that
23 on, I guess it would be day zero, there is the
24 release of information or the release of LSOG 4 to

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1 CLECs, and then 66 days thereafter there's the
2 opportunity for the CLECs to use it in production?

3 A. [PHAN] Right.

4 Q. And during that 66-day period is when CLECs
5 have the opportunity to do testing with respect to
6 the LSOG 4 release?

7 A. [PHAN] There is a -- prior to going into
8 production, there's a new-release process, which
9 consists of four weeks before production. So
10 production date minus four weeks is when the test
11 environment is open for CLECs to conduct testing.

12 Q. So then the production date minus 66 days is
13 when it first gets released, and production date
14 minus 28 days is when CLEC testing is supposed to
15 begin?

16 A. [PHAN] Right.

17 Q. And during the course of the LSOG 4 -- or
18 after the initial LSOG 4 release, Bell Atlantic had
19 to make significant revisions to LSOG 4 before
20 either the CLEC testing started or before the actual
21 production started; is that right?

22 A. [SEARS] The way we actually conduct our
23 testing, we don't begin to use the Bell Atlantic
24 documentation until 28 days before it's released in

1 appropriate testing scenarios for the CLEC testing
2 environment, the 28-day window of opportunity to do
3 that, specifically with respect to the LSOG 4
4 release, would itself get squeezed to some shorter
5 amount of time, in light of the fact that the
6 documentation itself is changing during the course
7 of that time. Is that right?

8 A. [SEARS] For certain transaction types and
9 scenarios, that potentially would be true. For
10 other types it would not be true.

11 Q. There was some discussion earlier about GUI
12 availability as well. If you could turn to Page 97.
13 I just want to make sure I understand what the
14 parameters of KPMG's tests were with respect to GUI
15 availability. In the footnote it states that KPMG
16 Consulting reviewed BA-MA change-control notices
17 concerning total interface downtime and not specific
18 back-end system downtimes to calculate interface
19 availability results. What exactly does "total
20 interface downtime" mean?

21 A. [DELLATORRE] If you're able to access the
22 interface, then that means the system is available.
23 However, even though you have connected through the
24 interface, you may not be able to do one or another

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1 production, so we don't have any firsthand
2 experience -- During that 38-day period from the
3 commencement of the 66-day cycle until 38 days, the
4 way we operate is, we crunch all our work into the
5 28 days since the CTE becomes available. We don't
6 have any experience with those previous 38 days.
7 Any information that we had as to Bell Atlantic's
8 changes would be the same information available to
9 you from their flash releases.

10 Q. Were there any changes to the documentation
11 within the 28-day window from when -- when you first
12 started looking at it to when the LSOG 4 was
13 released in production?

14 A. [SEARS] Yes.

15 Q. There were.

16 A. [SEARS] I'm sure.

17 Q. Now, notwithstanding those changes, the
18 clock continued to run as initially set?

19 A. [SEARS] In that release of LSOG 4, yes.

20 Q. So it's not as though, despite whatever
21 changes there were to the documentation, there was a
22 new 66-day clock or a new 28-day clock.

23 A. [SEARS] No.

24 Q. So for a CLEC, then, having to develop

1 of any individual preorder or order transaction
2 types because the back-end system, an individual
3 system, is down.

4 Q. Would it ever be the case that a particular
5 CLEC would be completely -- that the GUI would be
6 completely unavailable to a particular CLEC and yet
7 the GUI would still be available to others?

8 A. [SEARS] I suppose with a certain mix of
9 transactions that would be possible, yes.

10 Q. So, then, it is possible that,
11 notwithstanding the fact that it says -- Withdrawn.

12 Did KPMG review at all the effect of
13 specific back-end system downtimes on GUI
14 availability?

15 A. [SEARS] No, we did not.

16 Q. There was some discussion just a short while
17 ago about Exception No. 8, and I believe that there
18 were some Bell Atlantic documentation changes that
19 resulted in certain transactions no longer being
20 classified as non-flow-through; is that right?

21 A. [DELLATORRE] No. Exception No. 8 was
22 concerning completion notices in the CTE.

23 Q. So, then, there were certain completion
24 notices that KPMG originally had anticipated it

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1 would receive, but then, after finding out about the
2 opportunity for negotiation and that you hadn't done
3 that, that was the reason why you didn't receive
4 certain notices that you thought you would have
5 received?
6 A. [DELLATORRE] Correct.
7 Q. And what did the test plan call for
8 initially with respect to the testing that was done?
9 That all would be received?
10 A. [SEARS] In testing CTE, you're really
11 testing for presence or absence of functionality.
12 And so in the CTE environment it really isn't
13 critical to receive PCNs or BCNs on all of your
14 transaction types, because you're really testing the
15 order front end. The CTE is long before you get
16 into production, so what you're really testing is to
17 make sure that you can execute your transaction.
18 CTE is very helpful testing your EDI maps, in
19 actually receiving those messages, but it's not
20 critical to receive BCNs or PCNs on all those, nor
21 do we have specific evaluation criteria for getting
22 BCNs or PCNs in the production environment. We do
23 have those criteria when we're doing reporting
24 discussion testing, and that's why we report on PCN

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1 and BCN timeliness in the production environment.
2 Q. Was the negotiation process something that
3 was already in existence but that KPMG was unaware
4 of it?
5 A. [SEARS] I'm not sure that it actually was
6 in existence before. I don't believe that it was.
7 A. [BOWERS] The exception was raised -- after
8 the exception was raised, Bell Atlantic made a
9 change to the CLEC handbook. That change
10 effectively indicated this need for a negotiation
11 process.
12 A. [SEARS] It's important to remember that
13 during the CTE process, PCNs and BCNs are manually
14 initiated. So the process really isn't the same as
15 the process that you go through in production. In
16 fact, it doesn't even really emulate the process
17 that you go through in production. It's a pretty
18 artificial process, where you get PCNs and BCNs in
19 the CTE environment, and that's one of the reasons
20 why we didn't think it was critical to get all the
21 PCNs and BCNs in that environment.
22 Q. To go back to the FTE, full-time
23 equivalents, that you mentioned this morning. I
24 believe, Mr. Sears, you said something along the

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1 lines that it took KPMG several weeks longer than it
2 initially had anticipated in order to, I guess, be
3 fully functional with LSOG 4.
4 A. [SEARS] I hopefully didn't say that. I
5 doubt that I did. It really depends on which LSOG 4
6 release we're talking about.
7 Q. I'm sorry; the initial, the February LSOG 4
8 release, the initial release.
9 A. [SEARS] Yes, in that case I would say that
10 we had not completed our transactions within the
11 28-day window, and therefore we did not complete our
12 test deck in the time -- in the sort of time fashion
13 that we would have expected.
14 Q. My question is: What would you have
15 expected?
16 A. [SEARS] I would have expected to get
17 through in 28 days or less.
18 Q. What full-time equivalents would have been
19 used during that 28-day period had there not been
20 the level of errors in the LSOG 4 release that you
21 found?
22 A. [SEARS] I'm not sure that -- I don't know
23 that I can go back and reconstruct history, and I'm
24 not sure that there's a high correlation in February

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1 between the number of manhours that I put into this
2 and the timeliness to get stuff fixed, because I'm
3 not sure that the timeliness of getting things fixed
4 was necessarily in our control.
5 Q. Well, I guess I'm just trying to find out:
6 It would have taken KPMG a certain number of full-
7 time equivalents had there been nothing wrong with
8 the release, and it obviously took KPMG somewhat
9 longer because there were things wrong. So I'm
10 trying to figure out what the difference is between
11 those two numbers.
12 A. [SEARS] I'm perhaps a little bit more
13 comfortable working with the June release, where
14 let's say we have three full-time equivalents for
15 four weeks, or three weeks, effectively. If the
16 release had been totally clean, what would it have
17 taken, full-time equivalents for a week?
18 A. [DELLATORRE] Yes, we did it in release
19 tests that took us almost about a week, the LSOG 2.
20 A. [SEARS] So the answer is, yes, the LSOG 2
21 release in June -- the February release and the June
22 release were both very clean. And so I'd guess that
23 it's like a six to nine manweeks' worth of work
24 difference. If the release is very clean, we seem

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1 to be able to get through it in about three
2 manweeks. Those are long manweeks. If the release
3 is not quite so clean, it's probably like 12 to
4 15 -- no, nine to 12; sorry.

5 MR. McDONALD: I have no more questions.

6 MS. CARPINO: Ms. Scardino?

7 CROSS-EXAMINATION

8 BY MS. SCARDINO:

9 Q. I'm Kim Scardino, with Rhythms. Before I
10 turn to my prefiled questions, I want to follow up
11 on some of Ms. Johnson's questions.

12 First, on Page 9 of the report, which
13 talks about Bell Atlantic - New York OSS evaluation,
14 Section 5.7. There's a sentence, the last sentence,
15 that says, "Where appropriate, KPMG Consulting
16 retested shortcomings discovered in New York's test,
17 product differences identified for Massachusetts,
18 and test objects that underwent material changes
19 subsequent to the conclusion of the New York test."
20 The first part, if you could focus on that a minute.
21 You state that KPMG retested shortcomings discovered
22 in New York. Can you identify in general what those
23 shortcomings were and how the test here in
24 Massachusetts elaborated and tested those

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1 shortcomings?

2 A. [SEARS] "Shortcomings" is probably a poor
3 choice of words. Fundamentally what that means is
4 that every test evaluation criteria that received a
5 satisfied with qualifications or a not satisfied in
6 the New York test was retested in Massachusetts.

7 Q. And did you pay particular attention to
8 things that were identified or problems or issues
9 identified in New York should those same problems --
10 should they have arisen here in the Massachusetts
11 test? Did you focus on those issues?

12 A. [SEARS] In a couple of areas that were
13 contentious and problematic in New York, two just
14 jump to mind, one of which is hot cuts and the
15 second of which is DA provisioning. We spent extra
16 time and attention in those areas in Massachusetts.

17 Q. Some other shortcomings or issues that I
18 recall from New York that relate to the POP domain
19 were help desks. I believe at the conclusion of
20 your test it was marked not satisfied in New York.
21 Did you pay particularly close attention to that in
22 Massachusetts?

23 A. [SEARS] We did a full retest of the
24 help-desk functionality in the Massachusetts test.

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1 Q. Another problem related to error codes. In
2 New York there were some inconsistencies in the
3 documentation. Did you do a full evaluation of the
4 error codes as well in Massachusetts?

5 A. [SEARS] That one actually did not rise to
6 my radar screen as a critical issue in New York.
7 Did we do a full retest?

8 A. [DELLATORRE] Yes.

9 A. [SEARS] Yes, we did a full retest.

10 Q. Another issue was the quality-assurance test
11 environment. Did you do a full test of that?

12 A. [DELLATORRE] Yes. That's the CTE testing
13 that we've been talking about.

14 A. [SEARS] Interface testing; yes, we did a
15 full retest in that area.

16 Q. Turning, then, to the latter part of the
17 sentence, where you talk about testing things that
18 underwent material changes subsequent to the
19 conclusion of the New York tests. Could you
20 identify some items that would fall into that
21 category?

22 A. [SEARS] Well, one that would fall into that
23 category, although the wording is not perfect, is
24 that the billing systems are different in

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1 Massachusetts than they are in New York, so we did
2 the full billing-system test, just because the
3 systems are different. It's not a product
4 difference; it's a system difference.

5 One of the other examples from this
6 discussion is Livewire replaced PREMIS, so
7 fundamentally our testing was done in a LiveWire
8 environment, as opposed to a PREMIS environment.
9 There's not a lot of things that are jumping to our
10 minds right now that represent some material change
11 subsequent to the conclusion of the New York test.

12 Q. What about the testing of DSL provisioning?

13 A. [SEARS] I don't know that that changed, but
14 we did substantial testing of DSL provisioning. I
15 guess the difference there is that was essentially
16 out of scope in the New York test and it's not out
17 of scope in this test. But the process hasn't
18 changed; that's why I didn't pick it up.

19 Q. And what about the missing-notifier problem
20 that was the subject of an enforcement action in New
21 York? Did you pay particular attention to that in
22 this test?

23 A. [SEARS] Of course.

24 Q. And how about an issue that I've heard some